## MINUTES UTAH STATE LPG BOARD

June 7, 2002

## **PRESENT**

Bruce Mau
Lynn Froerer
Jim Johnson
Mark Harris
Scott Sowards
Ed Martin
Brent Halladay
Joan Reed
Ron Gustaveson
Mel Milgrom
Bret Steel
Tom Clark
Chad Brown
Boyd Cook
Rick Wyss

Chair, LP Gas Board
Vice Chair, LP Gas Board
LP Gas Board Member
LP Gas Board Member
LP Gas Board Member
LP Gas Board Member
State Fire Marshal's Office
Freeway Propane
Amerigas
A.G.'s Office

Meeting began at 10:03 AM at the Murray Fire Department with Chair Bruce Mau presiding. Item #1 on the agenda was the Board meeting was called to order and welcome to all by Chair Mau. Fire Marshal Gary Wise asked to be excused as he was on vacation and Randy Austin also asked to be excused due to another commitment.

Item #2 on the agenda were reading and approval of the minutes of the April 5, 2002 Board meeting. Chair Mau entertained a motion to approve the minutes. Ed Martin made a motion to approve the minutes and Mark Harris seconded the motion. All Board members voted in favor.

Item #3 on the agenda was presentation of plaque to Board Chair Bruce Mau by State Fire Marshal Gary Wise. Chief Deputy Halladay stated that the State Fire Marshal was in California this week, and wanted Brent to extend to Chairman Mau his gratefulness for what he had done as Chairman of the Board and his apologies for not being at the meeting today to present the plaque. Chief Deputy Halladay read a letter which he had sent to Governor Leavitt on Mr. Mau as follows: "Bruce W. Mau of Amerigas, representing the LP Gas industry has served two terms on the LP Gas Board from July 1, 1995 to June 30, 2002. Bruce has been the Board Chairman for a number of years and has been a great addition to the LP Gas Board. In today's busy and stressful world, it is unusual to find a true gentleman to deal with. Bruce has always in everything he has done on the LP Gas Board been a gentleman. I will personally miss his conducting of the Board meetings, his reasonable and fair treatment of all that appeared before the Board no matter how they acted and we will deeply miss his insight, his advice and depth of knowledge in this complex and challenging industry." Chief Deputy Halladay then presented Bruce Mau with a nice plaque

for his years of service and he invited the Board members and staff to meet after the meeting for a luncheon.

Item #4 on the agenda was report to the Board by Brent Halladay of the submission of proposed Board members for appointment or reappointment to the Governor's Office for the Governor's selection. Chief Deputy Halladay distributed copies of a letter, which he had sent to Nancy K. Brown at the Governors office who is the Director of Boards and Commissions. Brent then went over the status of the Board members and how the next Board members would be decided upon by the Governor's office.

Item #5 on the agenda was report by Ron Gustaveson of the activities of the division and monies collected. Deputy Fire Marshal Ron Gustaveson distributed copies of the LP Gas Division Activity Report. Chief Deputy Brent Halladay stated that the monies are ahead of what was collected last year at this time. Brent also said that the Fire Marshal's office appreciated Ron and Mel hitting the collections harder as this year it is greatly needed.

Item #6 on the agenda was presentation to the Board by Brent Halladay of letters sent to all distributors on the subject of the LP Gas vehicle inspections as required in NFPA 58, Section 6.3.1.2. Chief Deputy Halladay went over a memorandum dated May 21, 2002, that every distributor in the state should have received and also the Board members, regarding the LP Gas vehicle inspections which has basically been decided that as of July 1, 2002, the State Fire Marshal's office would begin checking the required paperwork to make sure that these required vehicle inspections are being completed as required in NFPA section 6.3.1.2.

Item #7 on the agenda was proposal to the Board by Brent Halladay of amending R710-6-2.3 to define the term "dispensing system". Brent Halladay stated he also sent out a letter of the proposal to all distributors in the industry with a copy of the rule on the dispensing systems. . Mr. Casey Blackburn had brought up a good concern that needed to be dealt with, and it was that if he has to remove the liquid out of a tank to bring it back to his yard, technically that is a dispensing system without a plan review. The Board discussed this, and it was decided that Brent could write an exception in the rule, stating except with regard to the liquid evacuation with regard to the movement by a licensed technician. Brent said that he could work on the wording so that it would not cause a problem. Brent asked the Board if he could now send this on to Administrative Rules now for rule review. Chairman Mau asked for a motion for this rule to be approved with the one addition, and Mark Harris made this motion. Jim Johnson seconded the motion and all Board members voted in favor.

Also, Brent mentioned that as of July 1, 2002, the license fees will increase 50%. The certification, plan review, examinations and special inspection fees are not included in the increase. Brent asked the Board about the new Natural Gas Technician Certification Act. As of May 6, 2002, it is now required that the Natural Gas Technician be certified as the LP technicians are. The Department of Professional Licensing will be handling the certification for the Natural Gas technicians.

Item #8 on the agenda was Old Business. Chief Deputy Halladay reported that he was sure that the Board had heard in the news that there has been some heavy shortfalls that have occurred in the state financial system from lack of collections. We are now forecast for the 2002-2003 beginning July 1, 2002 the State of Utah will be another \$173 million short. Brent was required along with Fire Marshal Wise, to turn in a budget impact about two or three weeks ago of a 4% budget impact on our office, and an 8% budget impact. The Fire Marshal's office is 85% personnel services and 15% for everything else. Basically, if the office gets cut 4% it would mean we lose one position, and if 8% it would mean losing two positions. We hope nothing like that will happen. Until the special session of the Legislature meets sometime in June, we will not know for sure what is going to happen.

Board member Scott Sowards, who represents the smaller independent companies in the industry brought up the matter of the license fee increase. He was stating that maybe the larger companies should be paying a greater license fee than the smaller ones. He wanted to know if anyone else in the room had received any feedback concerning this. Deputy Fire Marshal Ron Gustaveson stated that he had talked with a number of individuals who work in other states besides just Utah, and our fees compared to the other states are really low, and so if you go out of the state to do work in other places, there is all kind of impact fees, and our fees are real reasonable for what fees we have here in the state. Boyd Cook from Amerigas spoke in defense of the larger LP Gas companies. There was further discussion from the Board members and audience, and the Board took no action on this issue.

Board member Mark Harris mentioned to Deputy Fire Marshal Ron Gustaveson about his check off list and something new has been added to his list. Something everyone should have, just a paperwork thing that should be pretty easy for people to come up with. Mark also was wondering if maybe the list should not be expanded to address hazardous materials training, hose management, etc. He was asking if Ron and the Board thought this was appropriate. Brent stated that the Board is required to enforce in the safety act, those things consistent with NFPA 54 & 58. In 58, it specifically relates back to the CFR requirement for having your bobtails visually inspected and hydrostatic, and that is why the Board has directed us to do that. This was further discussed among the staff and Board members. Deputy Fire Marshal Mel Milgrom commented on how important it is in bringing companies up to compliance with the safety inspections before the Federal Government comes by and penalizes them with big fines for not being in compliance. Board member Mark Harris stated that he would make up a proposal concerning this matter for the next Board meeting.

Item #9 on the agenda was New Business. Chief Deputy Halladay distributed copies of a letter from the McTier Supply Company. He stated that there has been a concern that the OPD companies, being that there is 25 of the 50 states that as of April 1, 2002, have decided that everyone needs to have OPD's in their 4 to 40 lb. cylinders. From what Mr. McTier says in his letter, that some of the manufacturers are having a difficult time in getting the valves made. Brent wanted to bring this to the Board's attention that the State Fire Marshal's office has received calls from some of the distributors that they are personally struggling to get OPD's in and they are being put off for two to three months to get them in. Mr. McTier thinks we should back off for a little

bit and let the manufacturers catch up. Brent said he wanted to bring this matter before the Board for discussion. There was a lengthy discussion between the Board members, staff and audience regarding this issue. It was decided not to change the ruling regarding the OPD valves and to leave it as it is.

Item #10 on the agenda was next meeting date and time. It was decided that September 13, 2002, at 10:00 AM would be the next meeting date at the Murray City Fire Department. Mark Harris made a motion to adjourn the LP Gas meeting and Scott Sowards seconded the motion. All Board members voted in favor.